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6 DAVID COLEMAN, and
AMERIVINE, INC.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

ROLAND E. GARCIA, doing business as
"GARCIA INTERNATIONAL
TRADING."

CASE NO. C 07 2279 EMC

Plaintiff.

VS

DAVID COLEMAN, an individual;
ANN COLEMAN, an individual;
AMERIVINE, INC.; and
DOES 1-100.

Defendants.

**DEFENDANTS' REQUEST FOR
MODIFICATION OF PROPOSED
JURY INSTRUCTIONS**

Trial
Date: January 16, 2009
Time: 8:30 a.m.
Courtroom: D - 15th Floor
Golden Gate Ave
San Francisco

1 Defendants request that the court modify its proposed jury instructions, numbers
 2 1.2 and 17.0, as reflected in the attached revisions. The Defendants also request that Jury
 3 Instruction No. XXX be eliminated entirely since Defendants are hereby withdrawing the
 4 affirmative defense of fraud on the Copyright Office. Defendants also request that the
 5 attached Limiting Instruction be given to the jury before it begins deliberations.

6 Defendants also request that the court modify proposed jury instruction number
 7 17.27 by eliminating the last sentence as reflected in the attached revised version. This
 8 request is based on Defendants' belief that the sentence improperly expands the doctrines
 9 stated in the cases relied upon in the comments to *Ninth Circuit Model Civil Jury*
 10 *Instruction* 17.27 to prohibit the deduction of all expenses incurred in determining profits
 11 made from allegedly infringing sales. The case cited in the comments made no such
 12 ruling. In Kamar International v. Russ Berrie & Co. 752 F.2d 1326 (1984) the Ninth
 13 Circuit Court of Appeal was only addressing the questions of whether overhead costs
 14 should be deducted in a determination of profits made by an alleged willful infringer.
 15 The court did not dispute the lower court's determination that the costs of goods sold,
 16 shipping and other costs of importation and administrative expenses were appropriate
 17 deductions from gross revenue. Id., at 1331. Similarly, in the other case cited in the
 18 comments, Three Boys Music Company v. Bolton, 212 F.3d 477 (Ninth Circuit 2000),
 19 and the U.S. Supreme Court case cited therein, L.P. Larson, Jr. Co. v. William Wrigley,
 20 Jr., Company, 299 U.S. 97 (1928), the courts were only addressing the question of
 21 whether income tax paid by an infringer ought to be included in the expenses chargeable
 22 against the gross revenue figure. Indeed, the U.S. Supreme Court specifically stated that
 23 "it would be unjust to charge respondent for gross sales, without deducting for materials
 24 and labor necessary for production." Id.

25 Based on the foregoing authority, Defendant requests that the instruction be given
 26 as proposed in the Model Jury Instructions, if at all, *i.e.*, without the final sentence. Of
 27 course, Defendants' preference would be not give the instruction at all based on the fact
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1 that willful infringement is only relevant in cases involving a request for statutory
2 damages. Here, it is undisputed that the Plaintiff is not entitled to statutory damages.

3 Dated: January 15, 2008

MERRILL, ARNONE & JONES, LLP

4 By: /s/WILLIAM J. ARNONE, JR.
5 William J. Arnone, Jr., Esq.
6 Attorneys for Defendants
7 DAVID COLEMAN
8 and AMERIVINE, INC.

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1 **REQUESTED MODIFICATIONS TO PAGE 3:**

2 **JURY INSTRUCTION NO. [1.2 AND 17.0] – CLAIMS AND DEFENSES**

3 To help you follow the evidence, I will give you a brief summary of the positions
4 of the parties:

5 The plaintiff, Roland E. Garcia (doing business as Garcia International Trading),
6 claims ownership of a copyright in a photograph and seeks damages against the
7 defendants, David Coleman and Amerivine, Inc., for copyright infringement. The
8 defendants deny that plaintiff is the owner of the photograph at issue and further deny
9 infringing the copyright. The defendants also assert affirmative defenses, *e.g.*, the
10 plaintiff granted them a nonexclusive license to use the photograph, the plaintiff's lawsuit
11 is barred by the statute of limitations or the doctrine of laches, and the plaintiff
12 abandoned any rights to the photograph, ~~and the plaintiff committed a fraud on the~~
13 Copyright Office. Although the photograph in question was used on a wine label, this
14 case does not involve a dispute over the ownership of either the wine label, the brand
15 name or the label design. Only the photograph is at issue in this case.

16 **[REMAINDER OF PAGE 3 UNCHANGED]**

17 **REQUESTED MODIFICATIONS TO PAGE 4:**

18 One who owns a copyright, whether as an original owner or an assignee, may
19 agree to let another person reproduce, prepare a derivative work of, distribute, or display
20 the copyrighted work. The person to whom this right is transferred is called a licensee.
21 A nonexclusive license may be granted orally.

22 **[REMAINDER OF PAGE 4 UNCHANGED]**

23 **REQUESTED MODIFICATIONS TO PAGE 37:**

24 **JURY INSTRUCTION NO. [17.0] – COPYRIGHT**

25 The plaintiff, Roland E. Garcia (doing business as Garcia International Trading),
26 claims ownership of a copyright in a photograph and seeks damages against the
27 defendants, David Coleman and Amerivine, Inc., for copyright infringement. The
28

1 defendants deny that the plaintiff is the owner of the photograph at issue and further deny
2 infringing the copyright. The defendants also assert affirmative defenses, *e.g.*, the
3 plaintiff granted them a nonexclusive license to use the photograph, the plaintiff's lawsuit
4 is barred by the statute of limitations of the doctrine of laches, and the plaintiff abandoned
5 any rights to the photograph, and the plaintiff committed a fraud on the Copyright
6 Office. Although the photograph in question was used on a wine label, this case does not
7 involve a dispute over the ownership of either the wine label, the brand name or the label
8 design. Only the photograph is at issue in this case.

9 [REMAINDER OF PAGE 37 UNCHANGED]

10 **REQUESTED MODIFICATION TO PAGE 56:**

11 **JURY INSTRUCTION NO. [17.0] – COPYRIGHT – DAMAGES – WILLFUL**
12 **INFRINGEMENT**

13 An infringement is considered willful when the plaintiff has proved both of the
14 following elements by a preponderance of the evidence:

15 1. the defendant(s) engaged in acts that infringed the copyright; and
16 2. the defendant(s) knew that those acts infringed the copyright.

17 ~~If you find that a defendant has willfully infringed, then the defendant is barred~~
18 ~~from deducting his or its own expenses from gross revenue to establish profit. See Jury~~
19 ~~Instruction No. [17.24] above.~~

20 [REMAINDER OF PAGE 56 UNCHANGED]

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1 JURY INSTRUCTION NO. _____

2 **LIMITING INSTRUCTION**

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4 This is a copyright infringement case. The only copyrights at issue in this case relate to a
5 photograph of vineyards on Westside Road in Sonoma County.

6 Any testimony or evidence relating to the Sonoma Ridge wine label design or the
7 Sonoma Ridge brand name was presented for the limited purpose of explaining the
8 context of the transaction in which the photograph was used.

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10 Any testimony or evidence relating to the Sonoma Ridge wine label design or the
11 Sonoma Ridge brand name may be considered only for this limited purpose and for no
12 other reason.

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